

THE PHILIPPINE ISLANDS.

AN ADDRESS

DELIVERED BEFORE THE

CHAMBER OF COMMERCE

OF THE

STATE OF NEW-YORK.

APRIL 21st, 1904,

BY THE

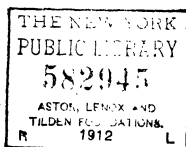
HON. WILLIAM H. TAFT,

Secretary of War.

NEW-YORK

1904

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ADDRESS.

Gentlemen of the Chamber of Commerce of New-York:

Your President, Mr. JESUP, has been good enough to invite me to address you. I should have declined the invitation because of many other engagements, but for the opportunity which it gives me to bring to the attention of the solid business men of New-York the problem which we have on our hands in the Philippines.

The people of the United States have under their guidance and control in the Philippines an archipelago of 3,000 islands, the population of which is about 7,600,000 souls. Of these, 7,000,000 are Christians and 600,000 are Moros or other Pagan tribes. The problem of the government of the Moros is the same as that which England has had in the government of the Straits Settlements or India. The government of 7,000,000 Christian Filipinos is a very different problem, and one which it has fallen to the lot of the United States only to solve.

The attitude of the American people toward the Philippine Islands may be described as follows: There are those who think that the Declaration of Independence forbids our accepting or maintaining sovereignty over them; there are those who, without respect to the Declaration of Independence, believe that colonial possessions are likely to lead to expense and corruption and demoralization, have little faith in the solution of the problem by teaching the Filipino the art of self-government, and are anxious to get rid of the Islands before they have done any harm to the United States; then there are those who hold that fate brought these Islands under our control, and that thus a duty was imposed upon us of seeing to it that they were not injured by the transfer. As a friend of the Filipinos, it is my anxious desire to enlarge that class of Americans who have a real interest in the welfare of the Islands and who believe that the United States can have no higher duty or function than to assist the people of the Islands

to prosperity and a political development which shall enable them to secure to themselves the enjoyment of civil liberty. [Applause.] The war with Spain led us far from Cuba, whose condition was its cause, to these beautiful Islands in the oriental tropics.¹ After DEWEY's guns had brought the whole Archipelago potentially within American control, there was no escape from the dilemma which was then and thereafter presented to the people of the United States except the one which they took. Three courses were suggested; first, that after peace with Spain, we should turn the Islands back to her.² But in the legitimate course of the campaign, we had called to our assistance as allies AGUINALDO and his forces, with whom the people of the Islands were largely in sympathy. It would have been a breach of faith on our part to have delivered them over to Spain with the bloody conflict which would instantly have followed. Could we have delivered the Islands over to the Government of AGUINALDO? AGUINALDO's Government was a military dictatorship, having actual control and that not always complete, in from eight or ten of forty provinces. A convention had been called of AGUINALDO's friends.³ A large majority of the delegates had been directly appointed by him. They formulated and adopted a Constitution as the basis of a popular government. The constitution was mere paper. It was taken from the Constitution of the United States, that of Mexico and that of the Argentine Republic. It had no life, for it was never at any time put in force.⁴ The actual government was despotic and oppressive to even a greater degree than the Spanish Government ever had been, and resistance to its authority, caused by its dishonesty and oppressive measures in the provinces in which it had authority, was frequent and disturbing.

¹ The adoption of the constitution at Malolos was not indicative of the then capacity of the people to maintain popular self-government. It represented only an academic aspiration by the drafters. "The result was mere committee work, without the slightest evidence of the practical operativeness of the instrument from previous actual experience in government by the people. The only real government which existed under AGUINALDO was that of the one-man power, arbitrary and inconsiderate of the people. With these facts before the United

States. I submit that there was no escape from the dilemma except the acceptance of a transfer of the sovereignty of Spain and the assumption of political control over the Filipino people, until by proper measures and patient governmental training and experience they could be given self-governing capacity. //

Concerning the objection that this is a new business for the United States, which will have a demoralizing effect upon the nation, I think no one is able to point out any injury which has thus far resulted to the people of the United States except the expense attendant upon the maintenance of law and order in the Islands during the insurrection, and the regrettable loss of life which occurred. Certainly no one thus far can show the baleful effects of that dreadful spirit of greed which the opponents of the policy are so prone to see in everything done with respect to the Philippines. I challenge them to point out in anything which has been done to the Philippine Islands, either immediately under the government there established, or by the United States, which savors in the least of a selfish use of those Islands for the benefit, either of the individuals in the United States or of the Government itself. The only thing which can be seriously made the basis of such a charge was the attempt during the present session of Congress to put in force the coastwise trading laws for the benefit of the shipping of the United States in respect to the trans-oceanic trade between the Islands and the United States, and that by Act of Congress has now been postponed for two years longer. There has been a rebate provided of the export duty on hemp imported directly from the Islands to the United States. This has not affected injuriously the trade of the Islands, because the demand for hemp is so great that the Islands have a monopoly in respect to it. There has unexpectedly been caused by the rebate a reduction of the income in the Islands of about \$250,000, because the equivalent which was provided as a counter benefit, to wit, the duties to be collected on imports from the Islands into the United States, has not equalled the aggregate rebate on the hemp. This, however, was a miscalculation by the legislators that was pardonable and can easily be rectified. In every other respect the legislation which has been enacted has been in favor of the Islands, including a gift

of three millions of dollars for the purpose of relieving distress there. The attitude of those who support the Government in its policy is altruistic. It is of one who out of a feeling friendly to the Filipinos would sacrifice much to accomplish the purposes of the Administration there. It is a feeling which does the nation credit, and a feeling that a nation of the wealth and power that this nation has, may well afford to encourage.

General denunciation of the Government's policy as one of the suppression of freedom and an attack upon liberty has rendered uneasy many of our people, but the charge is wholly unfounded. There has been established in the islands a government of law and order in which the administration of justice is quite as good as it is in half the States of the Union. It has secured to every man, woman and child among the Christian Filipinos all the rights contained in the bill of rights in the Constitution of the United States except the right to bear arms and the right to trial by jury. The right to bear arms is one that might very well be restricted in the United States. [Laughter and applause.] The freedom with which firearms are sold, the unlicensed character of the business, will readily account for many of the homicides which disgrace the criminal annals of our country. The right of trial by jury is one which the people of the islands do not understand, and which it is wise to postpone the exercise of until they who are to constitute the jury shall be better qualified to exercise the function of administering justice. As it is to-day in the Islands no man need be convicted of a crime except by the judgment of a judge of first instance, concurred in by a majority of the seven judges of the Supreme Court. The appeal on the facts and law to the Supreme Court of the Islands, which consists of three Filipinos and four Americans, certainly offers sufficient security against mistakes or prejudices of one judge. All the substantial civil rights then are secured to the Philippine people. They do not themselves exercise complete political control, but that is a very different thing from civil liberty. Women and children, and other non-voters in this country, have the civil liberty secured by the Constitution, but do not exercise political control. If we abandoned the Islands we should be turning their political control over to the violent and the turbulent, and the agitators and civil liberty would at once

cease to exist there. The great difficulty that we have now in making our grant of civil liberty useful to the inhabitants is their failure to understand what their rights are and their incapacity to maintain them. I remember one morning, early in my experience in the Philippines, I was visited by an elderly Tagalo who spoke no Spanish, but who presented a petition, written for him by some one else, in Spanish, in which he set forth that his son had been arrested for a crime under the Spanish regime, had been held for six years without trial, and was still in Bilibid prison. Calling on me at the same time was a distinguished lawyer of the Islands, one of the three persons who had drawn up the constitution adopted at Malolos, which has attracted so much admiration from our anti-imperialistic friends. I turned the petition over to him and asked him to confer with the old man, which he did. He said to me, "How can we redress this grievance?" I suggested: "Under an order of General OTIS the writ of *habeas corpus* is in force; you ought to sue out such a writ." He asked me what the writ of *habeas corpus* was, and I explained it to him, and at his request drafted a petition for the writ. Taking the petition he went to Bilibid prison and found that there were ninety persons in prison in the same situation as that of the son of my early caller. He filed a petition for the writ in each of these cases and succeeded in securing the release of all. His success in the matter was a revelation to him, as it was to the people of the community, in respect to what was practical civil liberty of the individual. Yet it was he who had penned the constitution supposed to secure such liberties to his fellow citizens some two or three years before. My experience in the Philippines, and that of others who have been there, justify me in saying that, were the Americans to leave the Islands to the government of AGUINALDO or some person of his views, all the guaranties of civil liberty would be lost in the effort of the executive head of the government to maintain his position against hostile cabals and conspiracies. In other words a surrender by us of political control in the Islands, as they are at present peopled, means the suppression of civil liberty. Hence it is that those of us who are in favor of only the gradual extension to the Filipinos of political control, retaining a guidance under the Government of the United States, are the real

defenders and protectors of the liberties of the Philippine people, while the so-called and self-styled "anti-imperialists" who demand an immediate surrender of the Islands, are, in effect, advocating a policy which makes for absolutism and tyranny, or a political chaos, which is even worse than either, and which will end for a long time to come all hope of the liberty of the individual. The course which the so-called anti-imperialists seek is the easy one. The course which we have on hand is a difficult one.

If we pursue the policy which is now being pursued in respect to the Islands, the policy of holding the Islands for the benefit of the Filipinos, and of doing everything we can to elevate and educate the people, to increase their prosperity, and to furnish them full opportunity for the pursuit of happiness, we need trouble ourselves little about the alleged violation of the principles of the Declaration of Independence. If that instrument is to be so construed as to prevent us from taking the course which the dilemma already presented required us to take, then the history of the American Republic has been nothing but a violation of the principles of that instrument from the beginning. Women and children and slaves were not permitted to exercise any political control at the time that the Declaration of Independence was signed. Those who by their suffrages had all the political control there was in the various colonies were, in many instances, in the minority of male citizens. Every property qualification, every educational qualification that excluded from the suffrage any male citizen over twenty-one, violated the Declaration of Independence, if it is to be given the wide construction contended for by our opponents. When THOMAS JEFFERSON, who penned the Declaration, directed the purchase of Louisiana, the French residents and the Spanish residents of that country protested against the transfer by NAPOLEON to the United States on the ground that it was made without their consent, and they were thereby converted into subjects of a sovereign to whom they had willingly sworn allegiance. When we took in New-Mexico and Arizona from old Mexico we agreed that we would ultimately give them State government and independent control. More than fifty years have passed since that time and they are still held in a condition of dependence, with-

out the rights of sovereign States. For fifty years, then, we have been violating the declaration with respect to those people. When the war came on, and the issues of slavery and State rights were presented, twenty millions of people coerced ten millions of people to remain in the government from the control of which they had withdrawn their consent, and now to-day, in the Southern States, by grandfather's clauses and by property qualifications and by educational qualifications, the white people are seeking to exclude from the ballot those colored voters whom they deem to be unfitted to exercise political control in their respective communities. For either the Southerner or the New-Englander to rest his opposition to what we are doing in the Philippines on the Declaration of Independence involves an inconsistency that robs what he says of weight. In every instance it will be seen that the principles of the Declaration of Independence are always qualified by the statement that the people who are to be consulted with respect to their own government shall have sufficient capacity to govern themselves and better themselves by such self-government.

In the Philippine Islands ninety per cent. of the inhabitants are still in a hopeless condition of ignorance, and utterly unable intelligently to wield political control. They are subject, like the waves of the sea, to the influence of the moment, and any educated Filipino can carry them in one direction or another, as the opportunity and the occasion shall permit. The ten per cent. of the Filipinos who are educated have shown by what they have done and what they have aspired to and what they are, that they may be taught the lesson of self-government, and that their fellows by further education may be brought up to a condition of discriminating intelligence which shall enable them to make a forceful and useful public opinion. But that it will take more than one generation to accomplish this, every one familiar with the facts must concede. It is true that the marvelous development of the Japanese in the last fifty years may justify the hope that the period will be shorter than I have stated, but it is to be noted with the Japanese; first, that they are a more industrious people and a more thrifty people than the Filipinos; and second, that they have always had an independent and natural govern-

ment, proceeding from the feudal system and the continuance of the traditional governmental influence of the imperial household. The Spanish regime of four hundred years stamped out all tribal relations and everything akin to the feudal allegiance and to a natural government among the Filipinos, and there is nothing but the dead-level of a people whose only hope is education up to popular self-government under the guidance of some power which meantime shall secure to the people the inestimable benefits of civil liberty.

My own idea of the mission of the United States in the Philippine Islands is that it ought to be maintained and encouraged by the people of the United States without regard to the question of its cost or its profitable results from a commercial or financial standpoint. Opponents of the policy of the administration strive to frighten the taxpayer with a review of the cost, which they say the Philippine Islands have been and will prove to be to the United States. I am not familiar with the statistics, but it is possible that the war of the insurrection cost the United States about three hundred millions of dollars. That is spent. The object of the war has been accomplished. Tranquility and good order prevail in the Islands. The number of white troops in the Islands has been reduced from 75,000 to 15,000 men. The army of the United States numbers 65,000. In any event, whether we have the Philippines or not, 65,000 regular soldiers are not too many for a nation of eighty millions of people. Therefore, all that can be properly charged to the Philippine experiment from now on, is the additional cost of keeping 15,000 men and transporting them from the United States to the Philippines and back every three years, over what it would cost to keep them in the United States and transport them to and from the stations in the United States. This is a comparatively small sum. Then it is said that our Navy is enlarged on account of the Philippines. I do not think that our Navy is too large, whether we have the Philippines or not. Our commerce must be protected. Our nation must occupy a dignified position before the other nations of the world, and certain it is that the protests of a nation with a respectable navy are more respectfully listened to than when it has only a few wooden hulks to represent its nationality. There will be the additional cost of fortifying Manila,

Iloilo, Cebu and Subig Bay as part of the coast line of the United States. Beyond that there will be no considerable additional expenditure out of the United States Treasury.

The Islands themselves give every indication of furnishing revenue sufficient to carry out the plans which the United States may properly carry out in the material and intellectual development of the country and its people. The taxpaying capacity of the country is, of course, determined by that which it produces for domestic and foreign use. For the last two or three years the wealth produced in the Islands has been seriously impaired and reduced, not only by the war and the cholera, but also and chiefly by the loss of draft animals, ninety per cent. of which have succumbed to the rhinderpest. Agriculture has been dependent upon such animals and the recovery from this blow must necessarily be slow. Congress appropriated three millions of dollars to assist the Islands in re-stocking plantations, but the enormous difficulties attending the importation of cattle from other countries which are able to live in the Philippines are only known to those who have attempted it. I am glad to say, however, that our scientists in the Islands have discovered a method of preventing a recurrence and spread of the disease so that when the plantations are re-stocked rhinderpest will have no terrors for the farmers. With normal conditions in agriculture, when the cattle shall have been restored by breeding and otherwise to their usual number, the Islands will always be self-supporting, and will, doubtless, furnish a surplus of revenue with which to meet the demands for improvements which present themselves in every part of the Islands.

The Philippine Archipelago is the only country in which can be produced what is known as Manila hemp, or what is called in the Spanish language "abaca." This is a fibre of enormous strength, of from six to fifteen feet in length, which is stripped from the stalk of a banana plant, not the ordinary banana plant, but a plant of the same family which does not produce fruit. The leaf is slightly different from that of the fruit banana, though one may easily be mistaken for the other. The plant grows on the side hills. For the first two years it needs the shade from the tropical sun and some cultivation around the foot of the stalk. After two years the stalk is

strong enough to afford the fibre of commerce, and though cut down will reproduce itself each year for six or seven years, and this with very little cultivation. The chief labor in the production of the fibre is that of stripping the fibre of the pith of the plant. It is done by pulling or drawing it under a knife edge. If the fibre be drawn under a serrated knife edge the work is very much easier than if drawn under a straight edge, but the fibre is not so clean and its value and quality are much reduced. The tremendous increase in the demand for Manila hemp has made profitable the production of the cheaper and poorer qualities. Women and children are able to draw the hemp with a serrated knife, while only the stronger adults are able to draw and clean properly the finer fibre.—Many machines have been invented for the purpose of drawing the hemp, but in none of them as yet has the hemp producer been able to secure a result which justifies their use commercially. They either break the fibre or they discolor it. There is the opportunity for an invention which will revolutionize the hemp business in the Philippines as completely as the cotton gin revolutionized the production and preparation of cotton in the South. Of the forty-one provinces of the Philippine Islands, at least fifteen now produce commercial quantities of hemp. To-day, owing to the insufficient means of communication and transportation, many fields of hemp are allowed to rot and are not stripped or used. In many of the provinces there is wild hemp which is not so good in texture and which it would be necessary to replace by cultivated plants were the opportunity offered to put it on the market. From experiments by our Agricultural Bureau, I have no doubt that the number of provinces in which hemp could be raised might be doubled. The demand for hemp is so great that while an increase in its production might reduce the price, the total product would far exceed in value that which the statistics now show.

Many parts of the Islands are very rich in cocoanuts. The coconut grove is planted two hundred to a hectare, that is two hundred to two and a half acres. It takes four or five years for coconut trees to bear. After that they will bear for a hundred years and a low price per tree for annual rent is one dollar, Mexican, or forty dollars, gold, a year an acre. In

the province of Laguna within the last two years, since the war was over, there have been planted more than five times the number of trees, which were there before. There is a constant market for copra, which is the dried meat of the coconut, and the price is rising. Since the demand for hemp and cocoanuts have increased so largely planters have abandoned the raising of rice, preferring to buy their food out of the profit of the hemp or coconut industry. Therefore, for ten or fifteen years it has been the habit of the Islands to import rice, although there are no islands where rice will grow to better advantage than in the Philippines. The amount of importation, however, was comparatively small until the destruction of the draft cattle, three years ago, which reduced the actual amount of rice production in the Islands far below what was necessary to feed the people, and during the last year about \$12,000,000, gold, had to be expended in importing rice from French China.

The sugar and tobacco industries in the Islands are capable of a considerable increase. The Island of Negros contains sugar land as rich as any in the world, and the provinces of Cagayan, Isabela and Union, contain tobacco lands which, next to Cuba, produce the best tobacco in the world, but the trouble is that the markets for such sugar and tobacco have been by tariffs imposed in various countries very much reduced. Should the markets of the United States be opened to the Philippines, it is certain that both the sugar and the tobacco industry would become thriving, and although the total amount of the product in each would probably not effect the American market at all, so extensive is the demand here for both tobacco and sugar, it would mean the difference between poverty and prosperity in the Islands. I know that the reduction of the tariff for this purpose is much opposed by the interests which represent beet sugar and tobacco, but I believe that a great majority of the people of the United States are in favor of opening the markets to the Philippine Islands, conscious that it will not destroy either the beet sugar or the tobacco industry of this country, and feeling that as long as we maintain the association which we now have with the Philippine Islands, it is our duty to give them the benefit of the markets of the United States and bring them as close to

our people and our trade as possible. Nothing else will justify the application of the coastwise trading laws to the trans-oceanic trade between the United States and the Philippine Islands, but if they are invited to partake of the benefits of the protection theory, they may well be subjected to the rule that as between the United States and themselves the products are to be transferred in American bottoms.

Another immense source of wealth in the Islands is the almost inexhaustible supply of the most beautiful woods of rubber and of the most valuable gums. These sources of wealth are hardly developed.

And now what as to the existing trade between the United States and the Philippines. It is still quite small, not exceeding five millions in any one year of merchandise transferred from the United States to the Philippines, but increasing largely in the products transferred from the Philippines to the United States. The latter increase, however, is not a natural one. It is brought about by Congressional legislation already mentioned, which confers the benefit of \$7.40 a ton rebate from export tax upon all hemp transported directly from the Philippines to the United States. The total business done between the United States and the Philippines is something like seventeen millions. With the restoration of normal conditions in the Islands, with the construction of railways and other material development, then I have no doubt that this trade between the United States and the Islands would be trebled in the course of five years.

The conditions with respect to the business of the United States merchants in the Islands to-day is unfortunate, and its cause can easily be traced. The Government of the United States went into the Islands under a distinct promise that it would govern the Philippines for the benefit of the Filipinos; that it would extend self-government to the Filipinos as rapidly as they showed themselves fit for it, and that as many Filipinos as possible would be used in the personnel of the Government. This has always been the attitude of the Government, and never, so far as I know (has there been a single step of departure from it. It was the attitude declared before the war of insurrection began, while it was pending, and at its close, and no resistance on the part of the natives has

varied our position in that regard. This policy did not meet, as was natural, the ready assent of all the army or of those persons who were in sympathy with the army. The adventuresome spirits who followed the army for the purpose of establishing a business in its wake found that they had all that they could do to supply the demand made by the army for American goods, and as American capital came in dribbles or in larger sums, it was turned into the business of supplying the army with those things which the Government did not supply. Four or five trading companies were thus organized, embracing substantially all the American enterprise that has appeared in the Islands during the first three or four years of American occupation. American merchants thus situated easily caught the feeling of hostility and contempt felt by many of the soldiers for the Filipinos, and were most emphatic in condemning the policy of the Government in attempting to attract the Filipinos and make them so far as might be a part of the new civil order. The American newspapers which were established, readily took the tone of their advertisers and their subscribers, and hence it is that the American community in the Philippines to-day is largely an anti-Filipino community. The 75,000 soldiers whose demands for supplies made their business so profitable, have now been reduced to 15,000, and the market which made the American merchants for a time independent of the Filipinos, has now almost entirely disappeared. The condemnation by such merchants of the Civil Government continues, and they do not hesitate to make the Government the scapegoat for the failure of business to improve. The fact is that their customers have gone back to the United States and that their attitude towards the Filipinos is such that the Filipinos are not disposed to patronize them. This is unfortunate, and there must come into the Islands a new set of merchants who shall view the situation from an entirely different standpoint. There are 7,600,000 Filipinos. Of these, the 7,000,000 Christian Filipinos are imitative, anxious for new ideas, willing to accept them, willing to follow American styles, American sports, American dress and American customs. A large amount of cotton goods is imported into the Islands each year, but this is nearly all from England and Germany. There is no reason why these cotton

goods should not come from America, except the fact that there are no American houses in the Islands that have devoted their attention to winning Filipino trade. I am not a business man, but I know enough to know that it is not the best way to attract custom from an alien people to call them names, to make fun of them, and to decry every effort towards their advancement and development. In other words, the American merchants in the Philippines have gotten off on the wrong foot. There should be a radical change.

There are a few projected railroad lines in the Philippines which it would be possible to induce capital to build without a guaranty of income, but it is wiser, it seems to the commission, to attempt to introduce a general system of railways than to have a link built here and a link built there and to await the process of time before trunk lines shall be established. For instance, it is quite probable that a short line of forty or fifty miles would be constructed without a guaranty in the Province of Legaspi, where is the rich hemp business and where it has been customary during the last two or three hemp seasons to pay forty dollars Mexican a day for a caribou cart; so, perhaps it would be possible to secure the construction of a line without a guaranty from Manila south to Batangas, though of this I am not certain. With the hope, however, of bringing capital in considerable amount to the Islands, a bill has been prepared, which has passed the House, authorizing the Philippine Government to grant franchises for the construction of railways with a guaranty of income of not more than five per cent. on the amount actually invested for not exceeding thirty years. In most cases a guaranty of a less percentage would be sufficient, but my impression is that with respect to the main trunk line from Aparri to Manila, the difficulties of construction and the delay in securing a profitable business would probably require an assurance of five per cent. dividends. The opposition of those who oppose the investment of any American capital in the Islands which shall furnish a motive for a longer association between the two countries than is absolutely necessary, may postpone the passage of the bill until the next session of Congress. I shall deeply regret the delay, but I am not discouraged, for as long as I continue in my present position I expect to press the

legitimate claims of the Philippine Islands upon a just and generous Government for such authority in the local government as will permit a proper development of the material resources of the Islands; and the delay in legislation, which is incident, not to the opposition of a majority but to the opposition of a small minority, while it is apt to try one's patience, ought nevertheless not to discourage.

I come now to the question of labor, which has been made the basis for the most discouraging accounts of conditions in the Philippine Islands. The Filipino is a tropical laborer. In times past a large amount of rice has been raised in the Islands, a large amount of tobacco, a large amount of sugar, and a large amount of hemp, and they all involve, as a material part of the cost of their production, the labor of the natives. The Chinamen, who have been said by mistaken persons to number a million or a million and a half in the Islands, in fact do not number 100,000, and none of them do any agricultural work of any kind in the Philippine Islands. The Filipino is naturally an agriculturalist. When you go through his village in the middle of the day you will probably see him lounging about the window or on the seat in front of his house, and you will ascribe to him the laziest habits, because you do not know that he has been up at four o'clock in the morning and has worked from that time until nine or ten in the fields, and that he will begin work again at four o'clock and work for two or three hours until sun down or later. The American merchant is loud in his denunciation of the insufficiency of the Filipino laborer. This is because the price of labor has probably doubled since the Americans went there, and he has heard the tale of how cheap labor was before the Spanish regime ended. He also compared the cost of labor in the Philippine Islands with that in Hong Kong, and he finds that is very considerably less all over China. I am not contending that the labor in the Philippines is as good as Chinese labor, for that labor is the best in the world, probably, when economy in wages and efficiency in product are considered, but what I wish to dispute is that the labor conditions in the Philippines are hopeless. The city of Manila has under its control, and in its employment, about 3,000 laborers, and they are paid all the way from fifty cents Mexican to \$1.25 Mexi-

can, and there is no complaint whatever on the part of the authorities that their work is not properly and well done. The Quartermaster's Department of the army has about the same number, and their reports of the efficiency of Filipino labor are exceedingly encouraging. We have now employed really as coolies on the Benguet Road in the most difficult drilling and construction work about 3,000 natives, and while their efficiency is nothing like that of the American, in the accomplishment of work in proportion to the pay, they probably get through about as much. The men who are constructing the harbor works at Manila—The Atlantic, Pacific & Gulf Company—have employed upwards of 800 to 1,000 Filipinos in their quarries. At first they found it very difficult to secure workmen, but now they have more labor than they need. They use about eight per cent of white foremen and the rest natives. They give to the natives houses, furnish a church, a band, a cock pit and a school. On their fiesta days they give them vacation. They have less desertions, less absenteeism, than with Americans. These experiments only show that the solution of the labor problem in the Philippines is teaching the Filipinos how to work. Sir WILLIAM VAN HORNE reports that he found much difficulty originally in the construction of the Cuban railways because the natives were not acquainted with how the work should be done, but that by means of white foremen they were easily taught, and that then they made good laborers. I feel sure that the same thing will prove to be true of the Filipinos.

There is doubtless a great deal of mineral wealth in the Islands, but it will only be available after transportation shall have been introduced. It is not an island with a bonanza mine in it, though at some distant day such a vein may be discovered there. There is certainly coal in the Islands in considerable quantities. There is now between the islands a considerable inter-island trade, and there are quite a large number of ships engaged therein. Without it the Islands could not live; it is their arterial circulation. The present system might be much improved by introducing American generous methods of dealing with the public. About two and a half millions of capital has been invested in a street railway in Manila, which will be completed next Thanksgiving Day. This will certainly

change one of the annoying and expensive features of Manila life, and will give to the residents of the city opportunity to cut down their present expense of living, at least twenty-five per cent. There is no city in the world where there is so much traveling done in carriages, due to the fact that people may not walk about safely under the tropical sun. The presence of a street railway will do away with the necessity for many of these conveyances, and the streets will be less used and their condition much improved.

There is a sufficient continuous fall of water in streams within practicable distance of Manila to furnish electrical power exceeding fifteen thousand horse power. With the high price of coal this is an important aid to manufacturers.

The English houses and the Spanish houses who have dealt in the export trade in the Islands have earned large profits during the occupancy of the United States.

It is said that the health of the Islands is such as to preclude Americans from going there. This is not true. The climate does prevent one from going out into the sun in the middle of the day and so prevents his working in the fields as a laboring man, but it is entirely possible for one to live in the Islands for years, and if he does not neglect the ordinary rules of hygiene to be free from bad health. The Province of Benguet, which is 150 miles from Manila, and which will soon be reached by a railroad and an electric road in twelve hours, offers a climate quite like the summer climate of the Adirondacks or of Canada. Under the land regulations, which go into force at the time of the adjournment of Congress, a summer capital is to be established at Baguio, and town lots in the same place will be offered at public auction. Americans engaged in business may, at small cost, buy lots and erect houses and live there as many months of the year as they choose, except the months of August and September, which are usually so wet as to make it unprofitable. During remaining months of the year the climate is beautiful, the temperature going down as low as 35 degrees FAHRENHEIT, and rarely if ever reaching 80 degrees.

It is estimated that not more than five million acres of land are owned by natives in the Islands, and that the remainder, sixty-five millions, is owned by the Government. This

remainder will under the land regulations be opened for settlement and purchase at the adjournment of the present session of Congress. There is every prospect that the land will be taken up by both Filipinos and Americans. The maximum limitation for purchase by a company is 2,500 acres. This limitation is much too low for the cultivation of sugar, but is sufficiently extensive for the cultivation of other products. There is a provision in the law by which irrigation companies may own stock in land companies, so that probably the limitation may be evaded if private profit requires. The future of the Philippine Islands of course it would be dangerous to prophesy with certainty, but with a change in the hygienic conditions that surround life, due to an effective board of health, with a supply of pure water from the sinking of driven wells all over the country which the pending Bill in Congress will encourage, I feel sure that the population will rapidly increase.

We hold the Philippines for the benefit of Filipinos and we are not entitled to pass a single act or approve a single measure that has not that as its chief purpose. But it so happens, and it fortunately so happens, that generally everything we do for the benefit of the Filipinos and the Philippines will only make their association with the United States more profitable to the United States. I do not base my prayer for a continuance of the present policy toward the Philippine Islands on selfish grounds, but as this is the Chamber of Commerce, and as it is naturally interested in the possibilities of commerce in these distant Islands, I have felt justified in referring more than heretofore to the industrial conditions existing there and the possibility of improvement and the increase of trade between the United States and the Philippines.

The first requisite of prosperity in the Philippine Islands is tranquility, and this should be evidenced by a well ordered government. The Filipinos must be taught the advantages of such a government, and they should learn from the government which is given them the disadvantages that arise to everybody in the country from political agitation for a change in the form of government in the immediate future. Hence it is that I have ventured to oppose with all the argument that I could bring to bear the petition to the political conventions

asking that independence be promised to the Filipinos. It is not that I am opposed to independence in the Islands, should the people of the Philippines desire independence when they are fitted for it, but it is that the great present need in the Islands is tranquility, the great present need in the Islands is the building up of a permanent well-ordered government, the great present need in the Islands is the increase of the saving remnant of conservative Filipinos whose aid in uplifting and maintaining the present government on a partly popular and strictly civil liberty basis, shall be secured. A promise such as that which is petitioned for cannot but introduce at once into the politics of the Islands the issue of independence, of present fitness for self-government, and will frighten away from the support of the present government the conservative element which is essential to its success, and yet which is always timid lest by a change bringing the violent and the irreconcilable to the front, they shall suffer by reason of their prominence in aid of the present government. The promise to give independence helps no one. There is no need of that promise to secure tranquility because we have tranquility in the Islands. It is certain to be misunderstood as a promise to be complied with in the present generation, and if, as is probable, the people shall not be fitted for self-government in the present or the next generation, then the failure to give it will be regarded as a breach. Why not let the politics of the Islands take care of themselves? Why should the good people who signed the petition intermeddle with something, the effect of which they are very little able to understand? Why not take the broader policy, which is that of doing everything beneficial to the Philippine Islands, of giving them a full market, of offering them an opportunity to have railroads built extensively through the Islands, and of having a tranquility which is essential to the development of their business and their prosperity: why not insist on the spread of the educational system, of an improvement in the health laws, and subject everything that is done in the Islands to an examination as to whether it is beneficial to the Filipino people, and then when all has been done for the Philippines that a government can do, and they have been elevated and taught the dignity of labor, the wisdom of civil liberty and self-restraint in the

political control indispensable to the enjoyment of civil liberty, when they have learned the principles of successful popular self-government from a gradually enlarged experience therein, we can discuss the question whether independence is what they desire and grant it, or whether they prefer the retention of a closer association with the country which, by its guidance, has unselfishly led them on to better conditions.

And now, gentlemen, there remains one thing to say which is more or less a matter of business. In order to familiarize the people of the United States with the Philippine Islands, and in order to bring the Filipinos closer to the United States, the commission has deemed it wise to expend about three-quarters of a million dollars in making a satisfactory exhibit at the World's Fair at St. Louis. In making the ethnographical exhibit, the collectors have brought here natives of the various tribes of the Islands. Naturally, as an exhibit, they would not bring the civilized tribes, except as they are shown in the battalions of scouts and constabulary which are here. The educated, the cultured and the refined Filipinos would, of course, not appear in an exhibit, and yet the attention likely to be attracted to the wild tribes may blind the people to the fact that these wild tribes do not correctly represent the general average of civilization in the Islands. For that reason the Commission deems it proper to appropriate a considerable sum of money to bring to the United States a delegation of from forty to fifty Filipinos prominent at the bar, prominent in business, prominent in the provinces, prominent in literature, in order that by going about the country and the different cities they may become acquainted with the institutions and appearances of this country, and at the same time the business and prominent men of the cities of the United States may have acquaintance with the best elements of the Filipinos. The appropriation is not large enough to justify such extensive visiting to the various cities as we should like, and therefore we have thought it wise to appeal to the commercial bodies of each city to assist us in the entertainment of these gentlemen while they are here. I venture to suggest, therefore, to the Chamber of Commerce, that some action be taken in the nature of the appointment of a Committee to confer with Dr. WILSON, who is in charge of the Philippine Exhibit, and

also in charge of the delegation of Filipinos, and to care for them while in New-York. I am sure that there is in New-York, as there is elsewhere, a sufficient interest in the people of those far-distant Islands to invoke some effort on the part of the individuals to see that the hospitality of the City of New-York is properly extended to them. The first virtue of a Filipino city or village is hospitality, and should any of your number ever visit the Philippines and become acquainted with the Filipinos, you will understand why it is that those of us who have enjoyed the hospitality of the people of those Islands are so anxious that the Filipino gentlemen with their standards of hospitality shall not be disappointed in what they receive here.

I thank you, gentlemen of the Chamber of Commerce and Mr. Chairman, for your attention. [Great applause.]